

Legislative Bulletin.....March 20, 2007

Contents:

H.R. 1227—Amendments to the Gulf Coast Hurricane Housing Recovery Act

H.R. 1227, the Gulf Coast Hurricane Housing Recovery Act (sponsored by Rep. Waters, D-CA), is scheduled to be considered on the House floor today, March 20, 2007, subject to a structured rule (H.Res. 254), allowing one motion to recommit with or without instructions. Below is a summary of the manager's amendment, which is self-executed by the rule, and summaries of the seven amendments made in order under the rule. Amendments are debatable for 20 minutes, unless otherwise noted.

Note: Summaries are based on RSC staff's review of *actual amendment text*. For a summary of the underlying bill, see a separate RSC document released yesterday.

RSC Contact: Paul Teller; paul.teller@mail.house.gov; 202-226-9718

Frank (D-MA)—Manager's Amendment. Note: This amendment will be **automatically adopted** upon passage of the rule (H.Res. 254). Reportedly, this amendment eliminates the PAYGO problem in the underlying bill (see RSC Legislative Bulletin on H.R. 1227). Official word on the PAYGO issue from CBO was not available as of press time; however, informal reports indicate that the bill, after passage of the rule, would have a net-zero impact on mandatory spending and about \$1.3 billion in authorizations over five years. Highlights of the amendment are as follows:

- Provides that no funds authorized in this legislation may be used to lobby or to retain a lobbyist to influence a federal, state or local governmental entity or officer.
- Replaces the section allowing \$1.175 billion in FEMA hazard mitigation funds to be used for Louisiana's Road Home Program with a provision prohibiting FEMA from disapproving or restricting the use of such FEMA funds for Road Home.
- Extends reporting requirements for the FEMA flexibility provision above to all four states that received supplemental CDBG funds related to Hurricanes Katrina and Rita.
- Makes the New Orleans Redevelopment Authority (NORA) Pilot Program funded from money already sent to Louisiana from the federal Community Development Fund, requires that NORA reimburse the City of New Orleans for expenses related to the pilot program, and increases consulting requirements between NORA and the City of New Orleans.
- Caps at \$1.25 billion cumulative outlays from FY2008-FY2012 (under section 102 in the bill) that would occur because of the underlying bill's suspension of benefit duplication provisions under the Road Home Program. The Democrat staff of the Financial Services Committee reports that this provision of the Manager's Amendment has the effect of

reducing the mandatory spending in the bill and thus of helping to eliminate the PAYGO problem. Independent confirmation of this assertion was not immediately available at press time.

- Adjusts the three-month extension of the Disaster Voucher Program (DVP) to include an authorization for “such sums as may be necessary” for the extension through January 1, 2008.
- Clarifies that supportive housing vouchers for seniors, the disabled, and homeless people are only for areas impacted by Hurricanes Katrina and Rita.
- Directs GAO to report to Congress by June 1, 2007, on the number of households that were receiving federal rental housing assistance related to Hurricanes Katrina and Rita that were wrongfully or erroneously terminated, and how many of such households would be income-eligible for tenant-based rental assistance under Section 8 of the United States Housing Act of 1937.
- Changes the administration of payments to landlords for damages arising from FEMA actions from HUD to FEMA, and clarifies that such payments should not be made to landlords who have already been reimbursed for such damages under any other federal or non-federal program.
- Makes the FHA (federal mortgage insurance) non-conveyable properties provisions subject to appropriations (instead of mandatory). The Democrat staff of the Financial Services Committee reports that this provision of the Manager’s Amendment has the effect of reducing the mandatory spending in the bill and thus of helping to eliminate the PAYGO problem. Independent confirmation of this assertion was not immediately available at press time.

1. Brown (D-FL): Adds comparable utilities payments to the definition of replacement dwelling unit under the bill’s right-of-return section. In other words, a replacement dwelling unit would not be acceptable unless it had comparable rent as the original unit AND comparable utilities payments.

2. Brown (D-FL): Extends the right-of-return reoccupancy deadlines from October 1, 2007, to December 1, 2007, if the tenant requests an extension. Also requires the Housing Authority of New Orleans (HANO) to assist returning tenants with negotiating early termination of their current leases.

3. Hensarling (R-TX): Requires adult recipients of rental assistance under the bill to perform 20 hours per week of approved “work activities.” Approved activities include work, preparation to find work, vocational education, community service, and providing child care services. Exemptions are provided for people who are 62 years old or older, disabled, blind, the primary caregivers of a disabled or blind person, are already engaged in a work activity, already exempt from work requirements under the current federal or applicable state welfare law, and single parents unable to access child care for their child(ren) under age six. Authorizes “such sums” from any unobligated amounts already made available for disaster relief for Hurricanes Katrina, Rita, or Wilma.

4. Biggert (R-IL): Requires that, instead of replacing *all* pre-Katrina public housing units, only the number of public housing units *actually occupied* pre-Katrina would have to be replaced. (That is, this amendment would strip the language that includes uninhabitable units and units scheduled for demolition from the one-for-one replacement requirement in the underlying bill.)

5. Green, Al (D-TX): Extends FEMA housing assistance for evacuees of Hurricanes Katrina, Rita, and Wilma until December 31, 2007 (authorized at “such sums”) and provides Section 8 tenant-based rental assistance upon termination of temporary FEMA housing assistance. Landlords of tenants with temporary FEMA housing vouchers would ***have to*** accept the vouchers (and residence) of the tenants when their assistance transfers from temporary FEMA assistance to permanent Section 8 assistance. A cost estimate of this amendment is not available. *(60 minutes)*

6. Neugebauer (R-TX): Strikes Section 306 of the underlying bill, which would authorize funds for eligible families to continue receiving permanent Section 8 voucher assistance after the termination of the temporary Disaster Voucher Program (DVP). *(60 minutes)*

7. Price (R-GA): Strikes Section 103 of the underlying bill, which would eliminate the prohibition on the use of disaster assistance to satisfy state and local funding match requirements under other federal laws. In other words, this amendment would prevent disaster relief funds from being used as the required state and local shares for other federal programs.

###